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9 **UNITED STATES DISTRICT COURT**

10 **DISTRICT OF NEVADA**

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13 **SECURITIES AND EXCHANGE  
COMMISSION,**

14 **Plaintiff,**

15 **vs.**

16 **PROFIT CONNECT WEALTH  
17 SERVICES, INC., JOY I. KOVAR,  
18 and BRENT CARSON KOVAR,**

19 **Defendants.**  
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Case No. 2:21-cv-01298-JAD-BNW

**Consent Judgment Against  
Joy I. Kovar**

ECF No. 65

1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendant Joy I. Kovar having entered a general appearance; consented to the  
3 Court's jurisdiction over Defendant and the subject matter of this action; consented to  
4 entry of this Judgment without admitting or denying the allegations of the Complaint  
5 (except as to jurisdiction and except as otherwise provided herein in paragraph VII);  
6 waived findings of fact and conclusions of law; and waived any right to appeal from  
7 this Judgment:

8 I.

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is  
10 permanently restrained and enjoined from violating, directly or indirectly, Section  
11 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §  
12 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using  
13 any means or instrumentality of interstate commerce, or of the mails, or of any  
14 facility of any national securities exchange, in connection with the purchase or sale of  
15 any security:

- 16 (a) to employ any device, scheme, or artifice to defraud;  
17 (b) to make any untrue statement of a material fact or to omit to state a  
18 material fact necessary in order to make the statements made, in the light of the  
19 circumstances under which they were made, not misleading; or  
20 (c) to engage in any act, practice, or course of business which operates or  
21 would operate as a fraud or deceit upon any person.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as  
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
24 binds the following who receive actual notice of this Judgment by personal service or  
25 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and  
26 (b) other persons in active concert or participation with Defendant or with anyone  
27 described in (a).  
28

## II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

(a) to employ any device, scheme, or artifice to defraud;

(b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Judgment by personal service or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

## III.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is permanently restrained and enjoined from directly or indirectly, including but not limited to, through any entity owned or controlled by her, participating in the issuance, purchase, offer, or sale of any security in an unregistered offering by an issuer provided, however, that such injunction shall not prevent her from purchasing or selling securities for her own personal account.

1 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as  
2 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also  
3 binds the following who receive actual notice of this Judgment by personal service or  
4 otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and  
5 (b) other persons in active concert or participation with Defendant or with anyone  
6 described in (a).

7 IV.

8 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
9 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,  
10 and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. §  
11 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. The Court  
12 shall determine the amounts of the disgorgement and civil penalty upon motion of the  
13 Commission. Prejudgment interest shall be calculated from May 1, 2018, based on  
14 the rate of interest used by the Internal Revenue Service for the underpayment of  
15 federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the  
16 Commission's motion for disgorgement and/or civil penalties, and at any hearing held  
17 on such a motion: (a) Defendant will be precluded from arguing that she did not  
18 violate the federal securities laws as alleged in the Complaint; (b) Defendant may not  
19 challenge the validity of the Consent or this Judgment; (c) solely for the purposes of  
20 such motion, the allegations of the Complaint shall be accepted as and deemed true  
21 by the Court; and (d) the Court may determine the issues raised in the motion on the  
22 basis of affidavits, declarations, excerpts of sworn deposition or investigative  
23 testimony, and documentary evidence, without regard to the standards for summary  
24 judgment contained in Rule 56(c) of the Federal Rules of Civil Procedure. In  
25 connection with the Commission's motion for disgorgement and/or civil penalties,  
26 the parties may take discovery, including discovery from appropriate non-parties.

V.

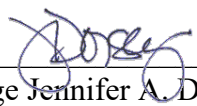
IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant must comply with all of the undertakings and agreements set forth therein.

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

VII.

It Is Further Ordered, Adjudged, And Decreed that this Court will retain jurisdiction of this matter for the purposes of enforcing the terms of this Judgment.

  
\_\_\_\_\_  
U.S. District Judge Jennifer A. Dorsey  
Dated: December 14, 2021

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9 **UNITED STATES DISTRICT COURT**  
10 **DISTRICT OF NEVADA**  
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12 **SECURITIES AND EXCHANGE**  
13 **COMMISSION,**

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15 **vs.**

16 **PROFIT CONNECT WEALTH**  
17 **SERVICES, INC., JOY I. KOVAR,**  
18 **and BRENT CARSON KOVAR,**

19 **Defendants.**  
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Case No. 2:21-cv-01298-JAD-BNW  
**CONSENT OF JOY I. KOVAR**

1           1. Defendant Joy I. Kovar (“Defendant”) acknowledges having been served  
2 with the complaint in this action, enters a general appearance, and admits the Court’s  
3 jurisdiction over Defendant and over the subject matter of this action.

4           2. Without admitting or denying the allegations of the complaint (except as  
5 provided herein in paragraph 11 and except as to personal and subject matter  
6 jurisdiction, which Defendant admits), Defendant hereby consents to the entry of the  
7 Judgment in the form attached hereto (the “Judgment”) and incorporated by reference  
8 herein, which, among other things:

9                   (a) permanently restrains and enjoins Defendant from  
10 violations of Section 17(a) of the Securities Act of 1933  
11 (the “Securities Act”) [15 U.S.C. § 77q(a)], Section 10(b) of  
12 the Securities Exchange Act of 1934 (the “Exchange Act”)  
13 [15 U.S.C. § 78j(b)], and Exchange Act Rule 10b-5  
14 thereunder [17 C.F.R. § 240.10b-5];

15                   (b) permanently restrains and enjoins Defendant from directly  
16 or indirectly, including but not limited to, through any  
17 entity owned or controlled by him, participating in the  
18 issuance, purchase, offer, or sale of any security in an  
19 unregistered offering by an issuer provided, however, that  
20 such injunction shall not prevent him from purchasing or  
21 selling securities for his own personal account.

22           3. Defendant agrees that the Court shall order disgorgement of ill-gotten  
23 gains, prejudgment interest thereon, and a civil penalty pursuant to Section 20(d) of  
24 the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15  
25 U.S.C. § 78u(d)(3)]. Defendant further agrees that the amounts of the disgorgement  
26 and civil penalty shall be determined by the Court upon motion of the Commission,  
27 and that prejudgment interest shall be calculated from May 1, 2018, based on the rate  
28 of interest used by the Internal Revenue Service for the underpayment of federal

1 income tax as set forth in 26 U.S.C. § 6621(a)(2). Defendant further agrees that in  
2 connection with the Commission's motion for disgorgement and/or civil penalties,  
3 and at any hearing held on such a motion: (a) Defendant will be precluded from  
4 arguing that she did not violate the federal securities laws as alleged in the  
5 Complaint; (b) Defendant may not challenge the validity of this Consent or the  
6 Judgment; (c) solely for the purposes of such motion, the allegations of the Complaint  
7 shall be accepted as and deemed true by the Court; and (d) the Court may determine  
8 the issues raised in the motion on the basis of affidavits, declarations, excerpts of  
9 sworn deposition or investigative testimony, and documentary evidence, without  
10 regard to the standards for summary judgment contained in Rule 56(c) of the Federal  
11 Rules of Civil Procedure. In connection with the Commission's motion for  
12 disgorgement and/or civil penalties, the parties may take discovery, including  
13 discovery from appropriate non-parties.

14           4. Defendant waives the entry of findings of fact and conclusions of  
15 law pursuant to Rule 52 of the Federal Rules of Civil Procedure.

16           5. Defendant waives the right, if any, to a jury trial and to appeal  
17 from the entry of the Judgment.

18           6. Defendant enters into this Consent voluntarily and represents that  
19 no threats, offers, promises, or inducements of any kind have been made by the  
20 Commission or any member, officer, employee, agent, or representative of the  
21 Commission to induce Defendant to enter into this Consent.

22           7. Defendant agrees that this Consent shall be incorporated into the  
23 Judgment with the same force and effect as if fully set forth therein.

24           8. Defendant will not oppose the enforcement of the Judgment on the  
25 ground, if any exists, that it fails to comply with Rule 65(d) of the Federal Rules of  
26 Civil Procedure, and hereby waives any objection based thereon.

27           9. Defendant waives service of the Judgment and agrees that entry of  
28 the Judgment by the Court and filing with the Clerk of the Court will constitute notice



1 to Defendant of its terms and conditions. Defendant further agrees to provide counsel  
2 for the Commission, within thirty days after the Judgment is filed with the Clerk of  
3 the Court, with an affidavit or declaration stating that Defendant has received and  
4 read a copy of the Judgment.

5           10. Consistent with 17 C.F.R. 202.5(f), this Consent resolves only the  
6 claims asserted against Defendant in this civil proceeding. Defendant acknowledges  
7 that no promise or representation has been made by the Commission or any member,  
8 officer, employee, agent, or representative of the Commission with regard to any  
9 criminal liability that may have arisen or may arise from the facts underlying this  
10 action or immunity from any such criminal liability. Defendant waives any claim of  
11 Double Jeopardy based upon the settlement of this proceeding, including the  
12 imposition of any remedy or civil penalty herein. Defendant further acknowledges  
13 that the Court's entry of a permanent injunction may have collateral consequences  
14 under federal or state law and the rules and regulations of self-regulatory  
15 organizations, licensing boards, and other regulatory organizations. Such collateral  
16 consequences include, but are not limited to, a statutory disqualification with respect  
17 to membership or participation in, or association with a member of, a self-regulatory  
18 organization. This statutory disqualification has consequences that are separate from  
19 any sanction imposed in an administrative proceeding. In addition, in any  
20 disciplinary proceeding before the Commission based on the entry of the injunction in  
21 this action, Defendant understands that she shall not be permitted to contest the  
22 factual allegations of the complaint in this action.

23           11. Defendant understands and agrees to comply with the terms of 17  
24 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to  
25 permit a defendant or respondent to consent to a judgment or order that imposes a  
26 sanction while denying the allegations in the complaint or order for proceedings," and  
27 "a refusal to admit the allegations is equivalent to a denial, unless the defendant or  
28 respondent states that she neither admits nor denies the allegations." As part of


1 Defendant's agreement to comply with the terms of Section 202.5(e), Defendant: (i)  
2 will not take any action or make or permit to be made any public statement denying,  
3 directly or indirectly, any allegation in the complaint or creating the impression that  
4 the complaint is without factual basis; (ii) will not make or permit to be made any  
5 public statement to the effect that Defendant does not admit the allegations of the  
6 complaint, or that this Consent contains no admission of the allegations, without also  
7 stating that Defendant does not deny the allegations; (iii) upon the filing of this  
8 Consent, Defendant hereby withdraws any papers filed in this action to the extent that  
9 they deny any allegation in the complaint; and (iv) stipulates solely for purposes of  
10 exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C.  
11 §523, that the allegations in the complaint are true, and further, that any debt for  
12 disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant  
13 under the Judgment or any other judgment, order, consent order, decree or settlement  
14 agreement entered in connection with this proceeding, is a debt for the violation by  
15 Defendant of the federal securities laws or any regulation or order issued under such  
16 laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C.  
17 §523(a)(19). If Defendant breaches this agreement, the Commission may petition the  
18 Court to vacate the Judgment and restore this action to its active docket. Nothing in  
19 this paragraph affects Defendant's: (i) testimonial obligations; or (ii) right to take  
20 legal or factual positions in litigation or other legal proceedings in which the  
21 Commission is not a party.

22           12. Defendant hereby waives any rights under the Equal Access to  
23 Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any  
24 other provision of law to seek from the United States, or any agency, or any official  
25 of the United States acting in his or her official capacity, directly or indirectly,  
26 reimbursement of attorney's fees or other fees, expenses, or costs expended by  
27 Defendant to defend against this action. For these purposes, Defendant agrees that  
28 Defendant is not the prevailing party in this action since the parties have reached a


1 good faith settlement.

2 13. In connection with this action and any related judicial or administrative  
3 proceeding or investigation commenced by the Commission or to which the  
4 Commission is a party, Defendant (i) agrees to appear and be interviewed by  
5 Commission staff at such times and places as the staff requests upon reasonable  
6 notice; (ii) will accept service by mail or facsimile transmission of notices or  
7 subpoenas issued by the Commission for documents or testimony at depositions,  
8 hearings, or trials, or in connection with any related investigation by Commission  
9 staff; (iii) appoints Defendant's undersigned attorney as agent to receive service of  
10 such notices and subpoenas; (iv) with respect to such notices and subpoenas, waives  
11 the territorial limits on service contained in Rule 45 of the Federal Rules of Civil  
12 Procedure and any applicable local rules, provided that the party requesting the  
13 testimony reimburses Defendant's travel, lodging, and subsistence expenses at the  
14 then-prevailing U.S. Government per diem rates; and (v) consents to personal  
15 jurisdiction over Defendant in any United States District Court for purposes of  
16 enforcing any such subpoena.

17 Dated: 11-29-20

  
Joy I. Kovar

19 On Nov, 29, 2021, Joy Kovar, a person known to  
20 me, personally appeared before me and acknowledged executing the foregoing  
21 Consent.

22   
23 Notary Public  
24 Commission expires: March, 15, 2025

